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CONTACT: Bill Ghent (Carper) 202-224-8395 Harvey Valentine (Alexander) 202-224-8816

Chris Spina (Chafee) 202-224-4913

Senators Introduce “New and Improved” Bipartisan Clean Air Bill

Measure Would Reduce Mercury Pollution, Institute First CO2 Controls on Power Plants

WASHINGTON (May 3, 2006) – Saying we need to do more to reduce air pollution and begin to address global warming, a bipartisan group of senators today introduced legislation that would significantly reduce mercury and ozone pollution from power plants, while setting the nation’s first-ever carbon dioxide cap.

The Clean Air Planning Act of 2006 is a “new and improved” version of legislation introduced in the 108th Congress. The new legislation would more strictly control mercury and other emissions from power plants, resulting in cleaner air than under the administration’s new Clean Air Interstate (CAIR) and mercury rules, or the president’s “Clear Skies” legislation. The bill is cosponsored by Sens. Tom Carper, D-Del., Lamar Alexander, R-Tenn., Lincoln Chafee, R-R.I., Judd Gregg, R-N.H., and Dianne Feinstein, D-Calif.

“When it comes to clean air, we can do better than current law and we can do better than the president’s plan,” said Sen. Tom Carper, D-Del., ranking Democrat on the Senate clean air subcommittee. “We have the technology to make steep reductions in the amount of pollution we pump into the air, and it won’t cost an arm and a leg to do it, either. For too long, clean air legislation has been stymied by politics as usual, and that has to change. This is the only bill that has attracted support from the utility industry, environmental groups, and a bipartisan group of lawmakers. It shows that consensus on environmental legislation is possible if we work together to get things done.”

“Give the Bush administration credit: Its new clean air rules are important steps forward in reducing air pollution from power plants. But those rules do not go far enough, fast enough to ensure that Tennessee counties come into compliance with federal clean air standards,” said Sen. Lamar Alexander, R-Tenn. “Our legislation puts stricter standards on sulfur dioxide and nitrogen oxides, cuts mercury emissions by 90 percent and addresses climate change by placing a modest cap on carbon emissions.”

“If we, as a Congress, are serious about improving air quality, this is the legislation everyone should support,” said Senator Lincoln Chafee, R-RI.

“This is a bill that will make significant strides toward improving our air quality and reducing our greenhouse gas emissions at a reasonable cost that industry can afford,” said Senator Dianne Feinstein, D-Calif. “The federal government needs to impose

mandatory restrictions on greenhouse gas emissions as soon as possible, and much of the nation including California needs cleaner air.”

Specifically, the new bill would:

- Reduce **mercury emissions by 90 percent** at every power plant in the country by 2015;
- Reduce **nitrogen oxide by almost 68 percent** by 2015. The bill would set up a cap-and-trade program to reduce NOx but would split the country into Eastern and Western zones to better combat smog problems. For example, if a power plant is in the Eastern zone, it would either have to reduce emissions or buy pollution credits from another Eastern zone plant, not from a plant in the West. This would help ensure that NOx pollution is reduced in the area where it causes the most health and environmental problems.
- Reduce **sulfur dioxide by more than 82 percent** by 2015. The bill would set up a cap-and-trade program for SO₂. The cap is the most stringent of all the competing clean air bills.
- **Cap carbon dioxide emissions** from power plants at 2006 levels by 2010 and reduce them to 2001 levels by 2015. Power plants could meet these new requirements either by reducing their own CO₂ emissions or buying CO₂ “credits” on the open market from other industries that can more cheaply reduce their greenhouse gas emissions. Recent EPA modeling of this cap-and-trade CO₂ program for utilities shows that it would only cost \$1 a ton to reduce carbon emissions.

The new and improved CAPA will result in substantially greater health benefits than the previous version of the bill, which EPA studies showed was already far greater than the president’s Clear Skies proposal. For instance, EPA estimated that the previous bill, when compared to “Clear Skies” in 2010, would mean 10,000 fewer premature deaths, 15,000 fewer trips to the emergency room and 1 million fewer work days missed due to chronic illness. EPA’s analysis shows that in 2010 under the Clean Air Planning Act these and other benefits yield a cost-to-benefit ratio of greater than 10-to-1.

The legislation would also help address the nation’s energy shortage and rising energy prices by providing incentives to bring new clean coal technologies, such as coal gasification, into the marketplace.

Under the legislation, highly efficient clean-coal power plants would receive bonus carbon dioxide allowances, which could be sold on the CO₂ market to help offset the costs of having to build the new, ultra-clean plants. A new generation of clean-coal power plants would help America take advantage of coal, our greatest fuel resource, and would help ease pressure on natural gas prices, lower our dependence on foreign fuel sources, and clean up the environment.

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